



An Energy Efficiency Workshop & Exposition

Kansas City, Missouri

DOE's Super ESPC

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U.S. Department of Energy

Federal Energy Management
Program



Progress Toward Making ESPC a Practical, Flexible Tool

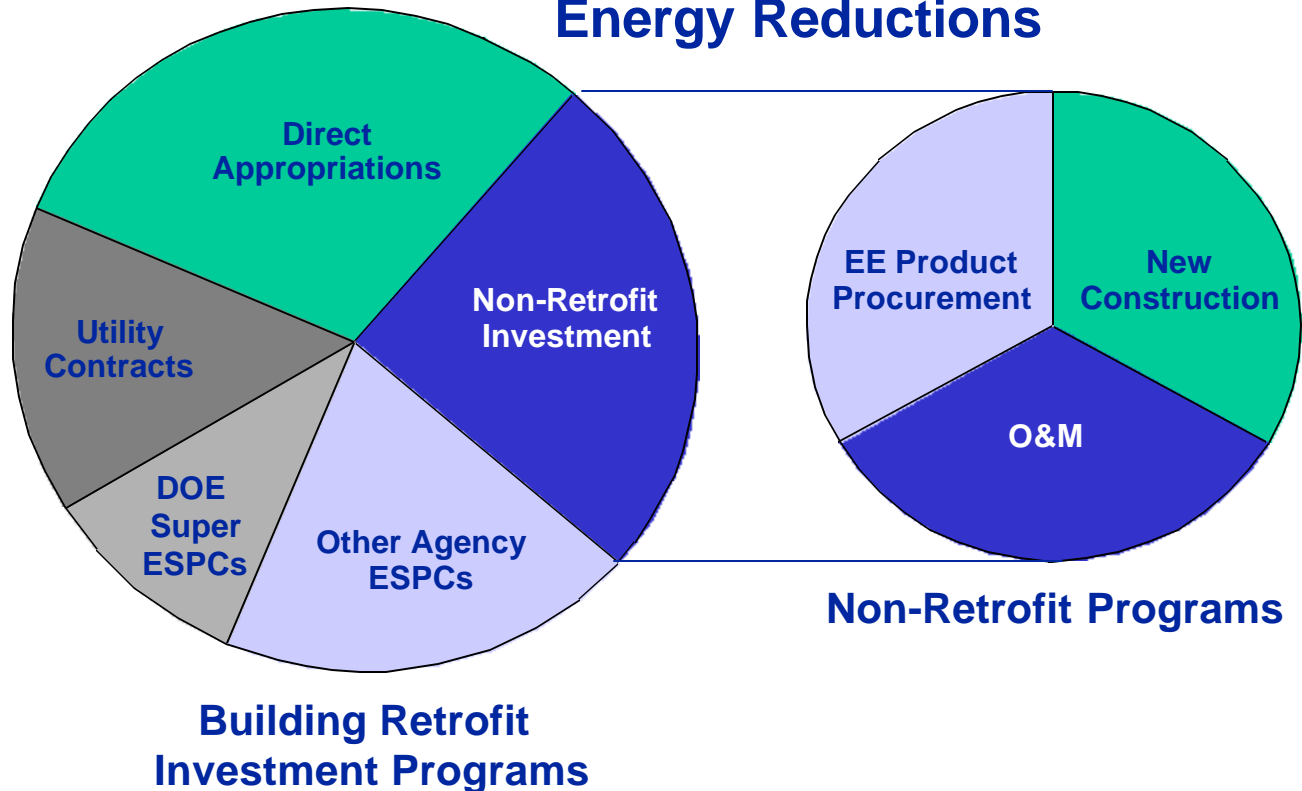
- Investment volume
- Time to get projects done
- Consistent contracts and productivity tools
- More free help and do-it-yourself options
- Legislative and regulatory progress



Achieving the 35% Reduction Goal by 2010

- To meet 35% goal must reduce energy consumption by 60 million Btu
- Largest contribution will be from investment in retrofit projects
- Other reductions from O&M improvements, procurement, and new construction

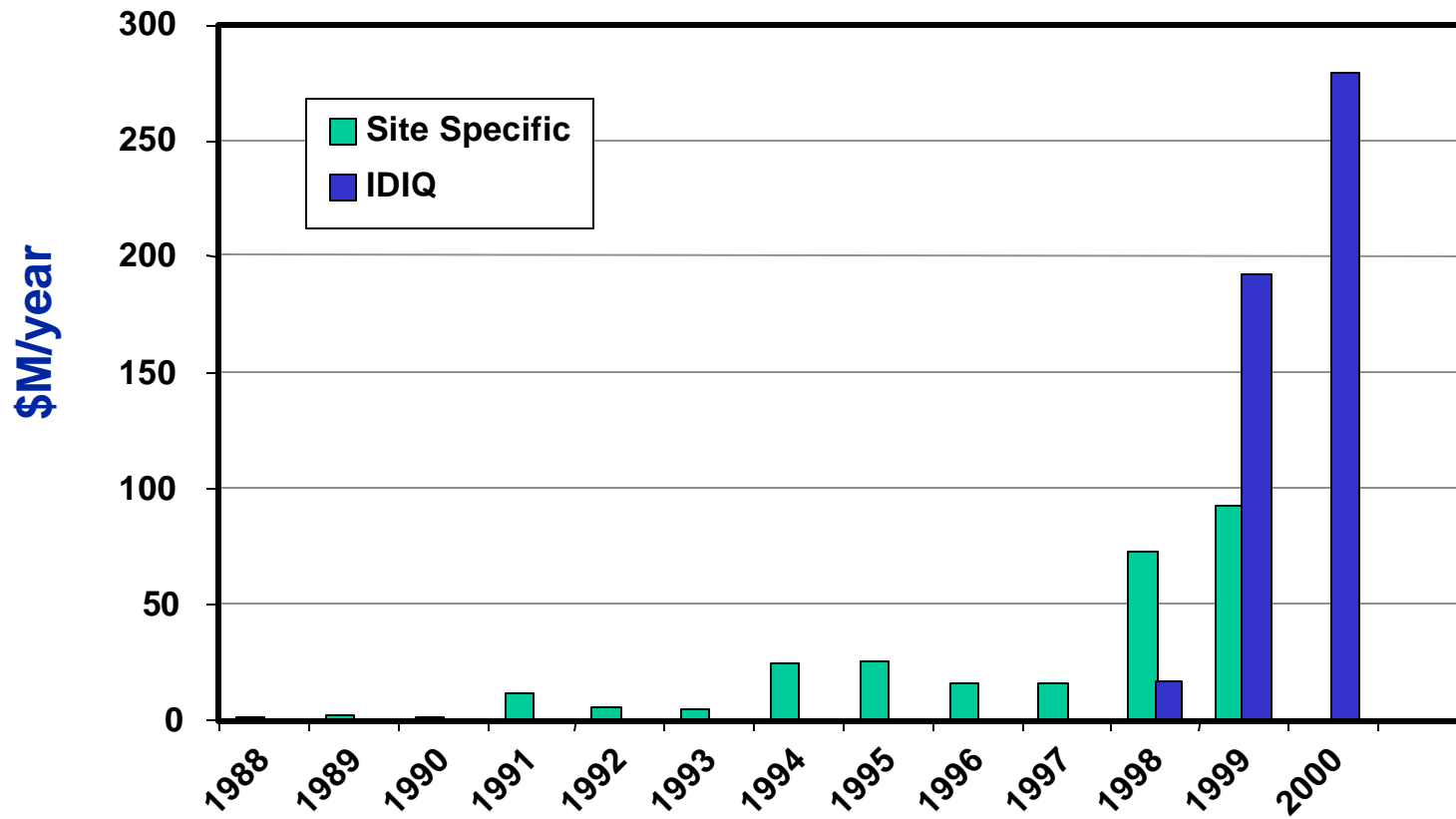
How Agencies Achieve Energy Reductions





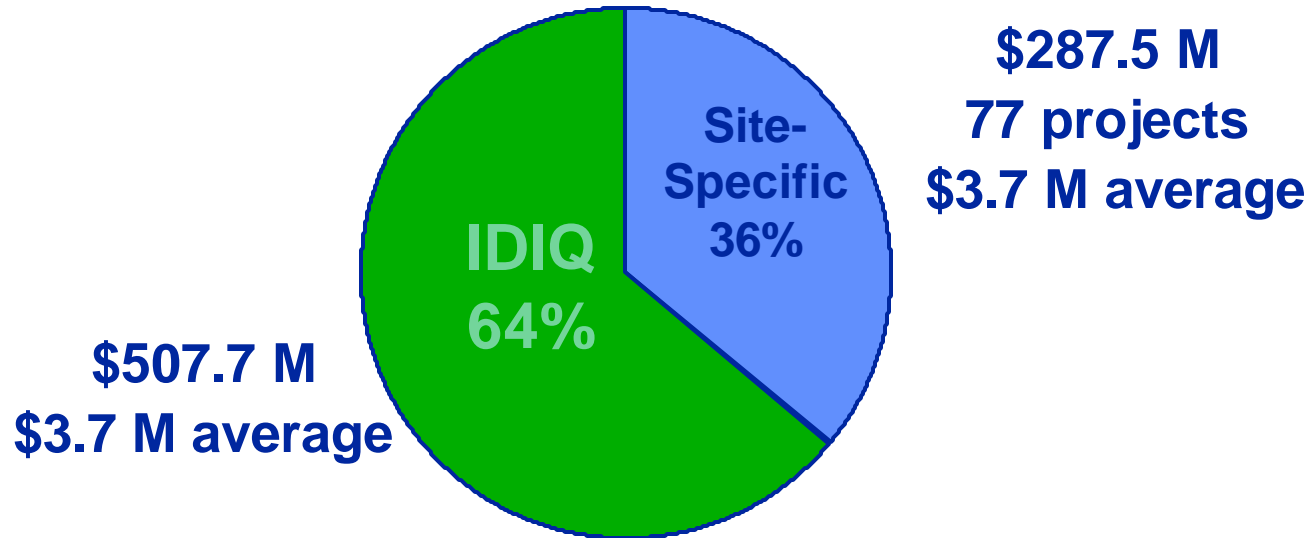
ESPC Umbrella Contracts Have Made a Difference

Indefinite-Delivery, Indefinite-Quantity (IDIQ) Contracts

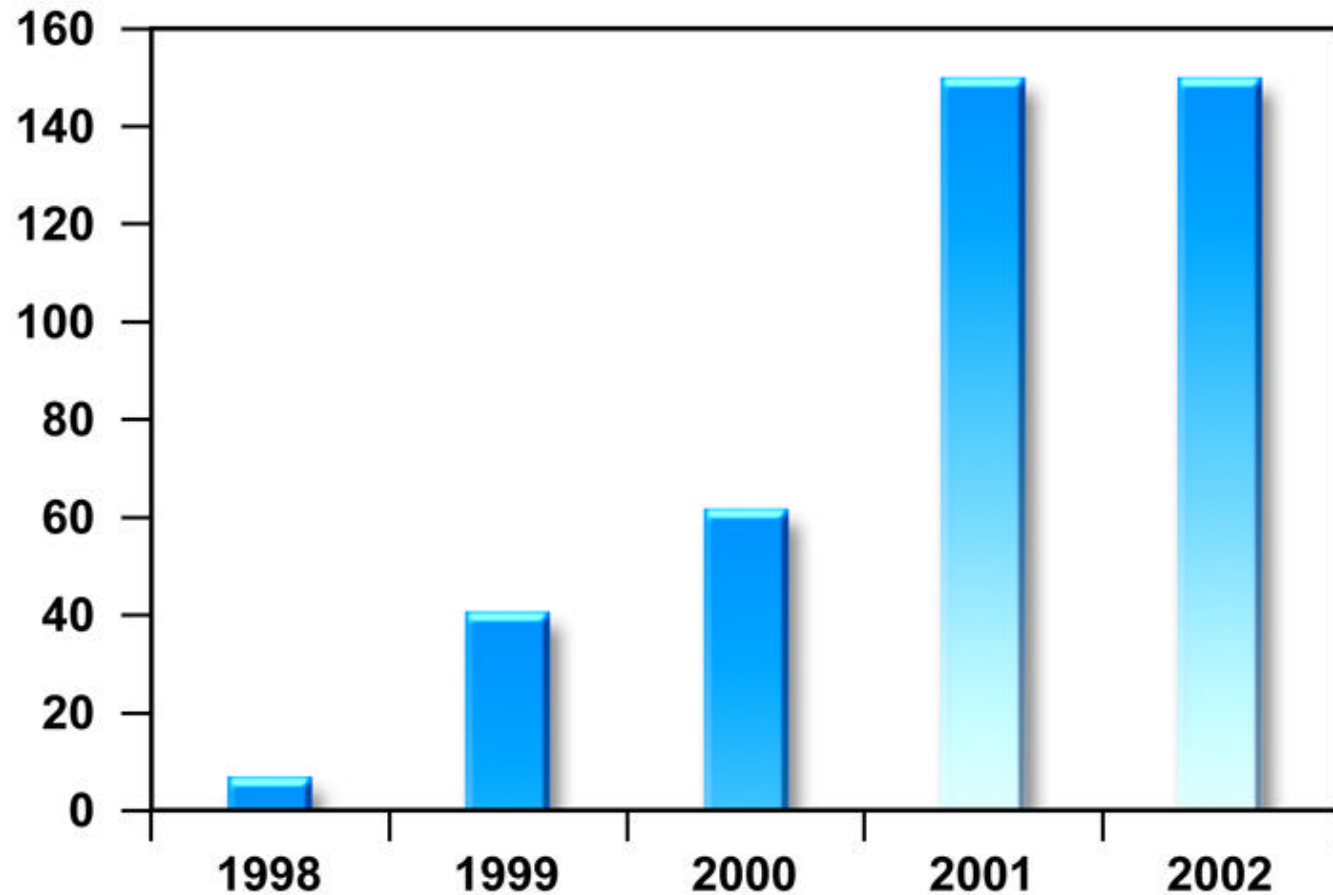




ESPC Private Investment Through Q1 FY2001: \$795.2 million

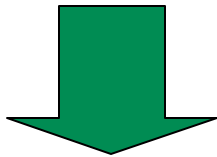


FEMP's Super ESPC is Now Well Established

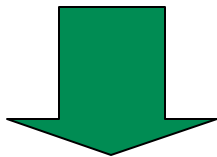


Super ESPC Savings Are Not Baloney

\$1 for Super ESPC in SE



\$30 private investment



Save 195,600 Btu per year —

Equivalent to spending \$5.11 up front to avoid buying 1 million Btu/year in future at \$13 - \$21 per year (in form of electricity)



\$1



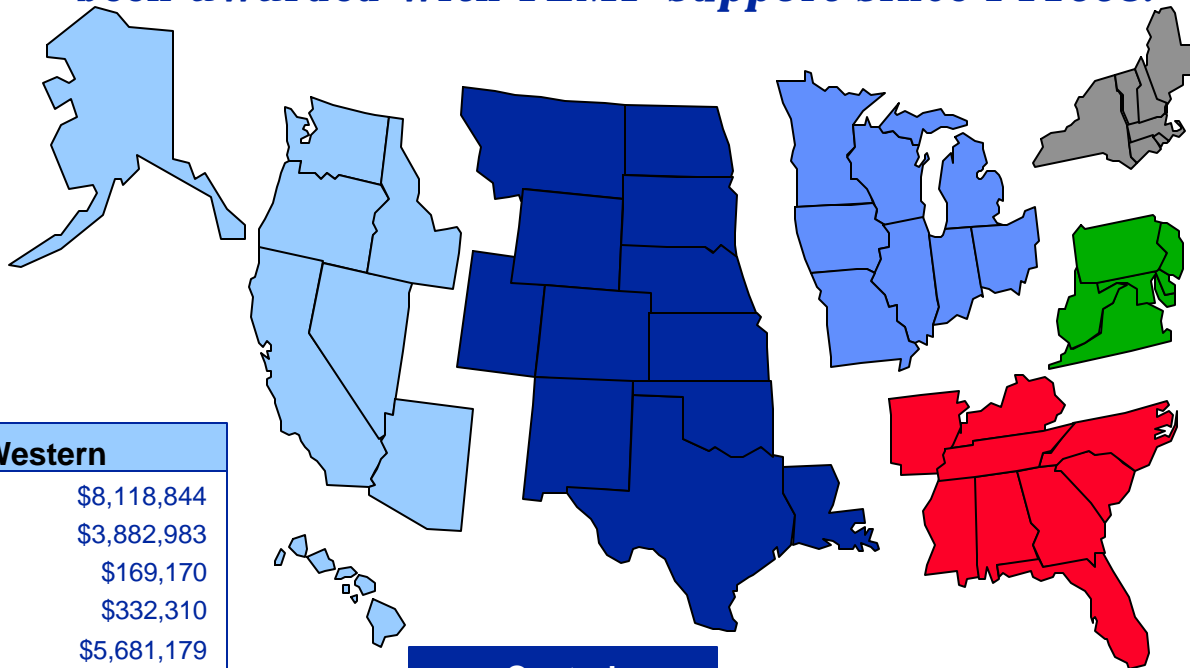
**for
Federal Building
Improvements**

\$30



Cumulative Private Investment in DOE Super ESPCs From Beginning Through Q2 FY 2001

**Super ESPC delivery orders worth \$131 million have
been awarded with FEMP support since FY1998.**



Western

DOD:	\$8,118,844
DOI:	\$3,882,983
DOL:	\$169,170
FAA:	\$332,310
USCG:	\$5,681,179
GSA:	\$1,010,362
NASA:	\$1,916,688
NPS:	\$584,535
VA:	\$7,079,252
DOE:	\$779,000

\$29 million

Central

DOE:	\$4,449,685
DOL:	\$1,483,360
EPA:	\$4,275,612
GSA:	\$11,224,578
NASA:	\$17,696,374
NARA:	\$266,431
VA:	\$5,570,653

\$45 million

Midwest

NASA:	\$1,158,744
USDA:	\$6,363,685
DOD:	\$949,114
USMC:	\$1,190,661

\$10 million

Northeast

GSA:	\$1,967,889
VA:	\$1,206,528

\$3.2 million

Mid-Atlantic

NGA:	\$2,696,406
DOA:	\$654,100

\$3.3 million

Southeast

DOD:	\$13,107,862
DOE:	\$3,028,939
GSA:	\$13,003,723
USCG:	\$1,830,611

\$31 million

GHP Outside U.S.

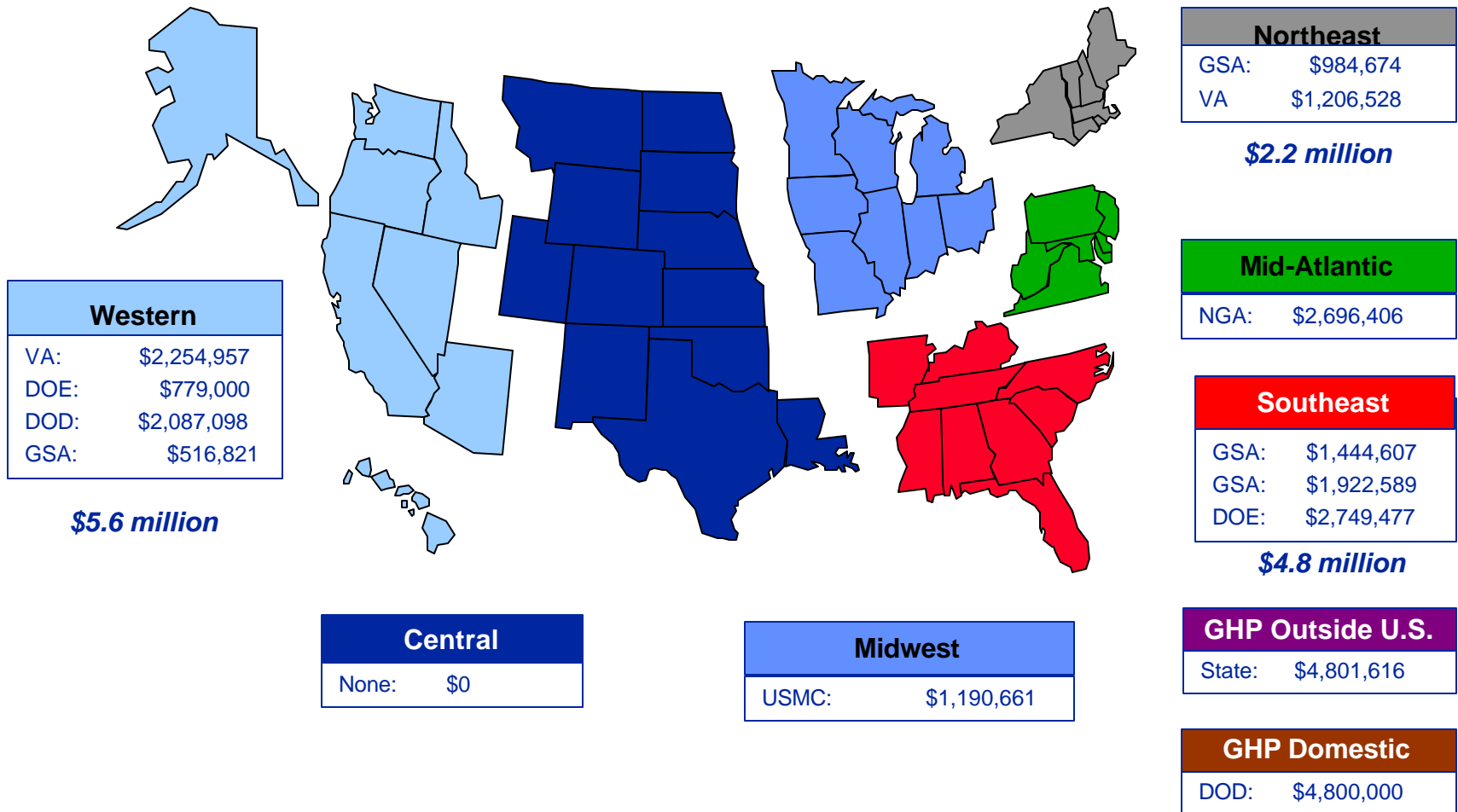
State:	\$4,801,616
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GHP Domestic

DOD:	\$4,785,168
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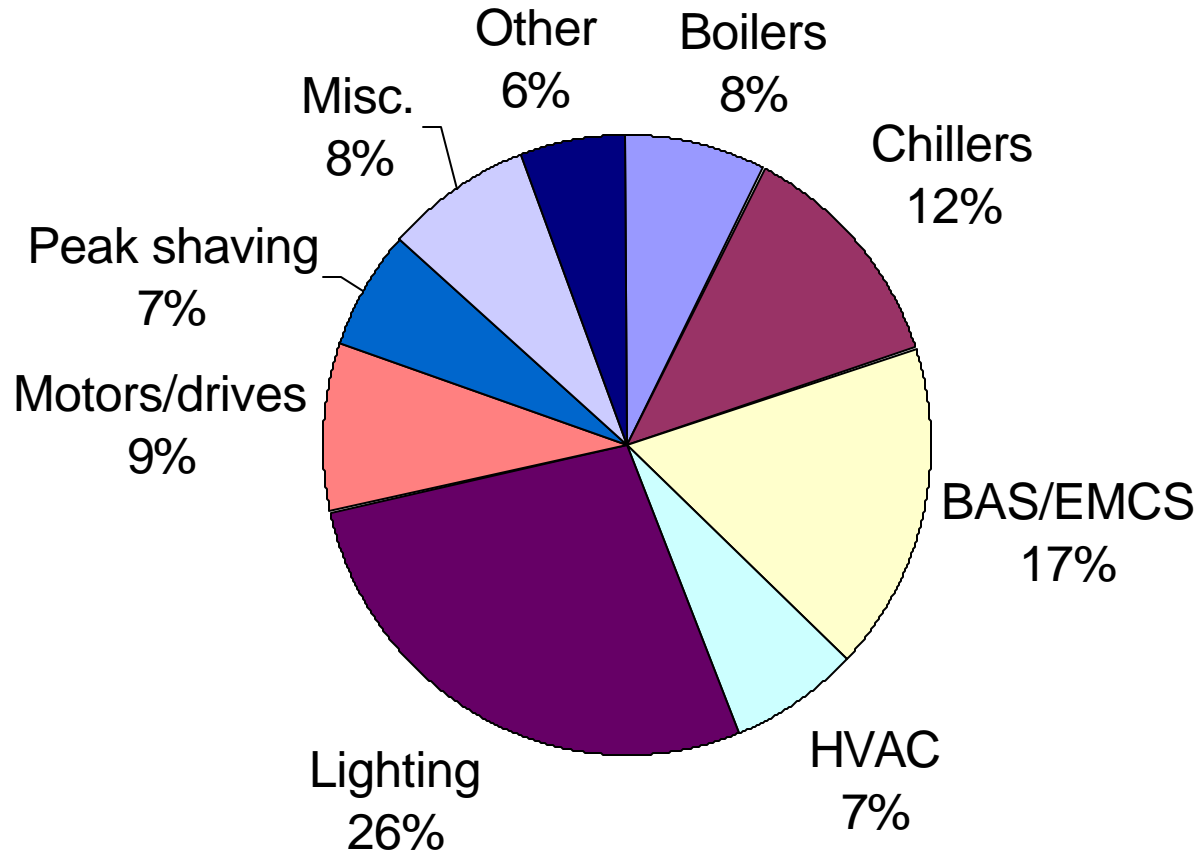


Super ESPC Delivery Orders Thru Q2 FY 2001: \$26 million





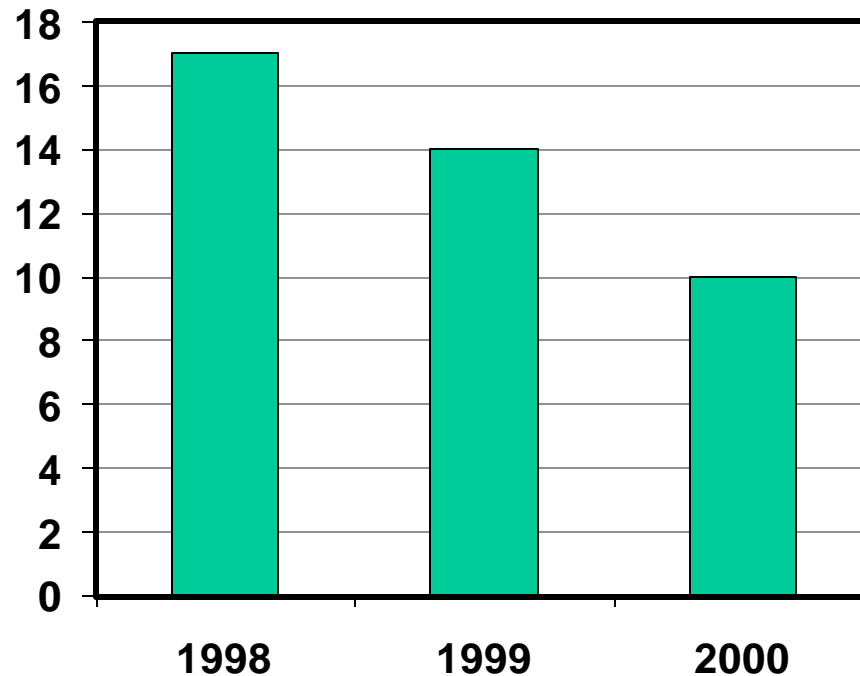
Investment Statistics Show that Comprehensive Projects are Being Done





Super ESPC Delivery Order Cycle Time is Improving

Months from start to award
(all projects plotted in the start year)





New Improved and Uniform Super ESPC Contracts are Now In Place

- 1997-99 Super ESPC roll-out by region
 - Up Side: Lessons learned incorporated into new contracts along the way
 - Down Side: Minor differences between contracts
- FEMP has amended all contracts
 - Best practices incorporated into all contracts to improve process for all

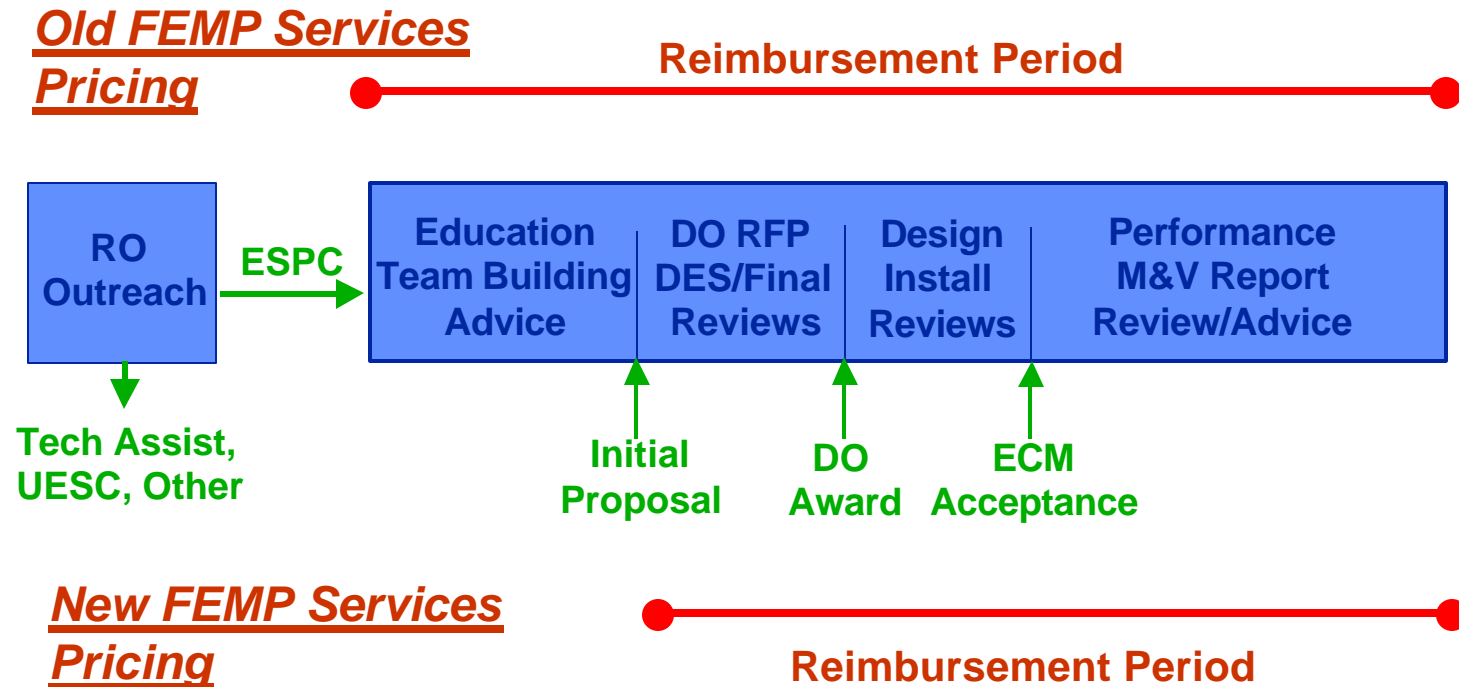


Super ESPC Amendments

- Modified all DOE Super ESPC regional contracts
 - Streamlined & clarified project development & proposal process to match reality
 - Added proposal requirement to summarize allocation of responsibilities to ESCO & agency (responsibility matrix)
 - ECM Commissioning plan required
 - Flexible financial indices (other than Treasuries)
- Tech-Specific Super ESPCs Are Next



Agencies can now get further along in the Super ESPC process for free.





***Do-it-yourself agencies can do their
entire Super ESPC project for free.***

- New reimbursement period for FEMP services
 - Starts after initial proposal, efforts free up to then
- Agency not required to use FEMP services after initial proposal
 - Assistance ends if agency decides not to



Legislative Update – DOE's Reimbursement Authority for Private Financing Permanent

- Revised Skaggs Amendment is codified at 42 U.S.C. 8287(d)
- Continues DOE's authority to accept funds from other federal agencies for assisting them in achieving energy efficiency through the use of private financing mechanisms



ESPC Congressional Notification Threshold is Increased

\$750,000 ® \$10,000,000

- FY 2001 Interior Appropriations Act, Public Law 106-291 Oct. 11, 2000 Title III - General Provisions, Sec. 335
- Amends Section 801 of the National Energy Conservation Policy Act, 42 U.S.C. § 8287(a)(2)(D)(iii)

Agencies must give written notification to the appropriate authorizing and appropriating committees of Congress 30 days before award of any multiyear ESPC contract that contains a cancellation ceiling in excess of \$10,000,000.



Proposed FY01 ESPC Legislation

- Several Bills – S.420 passed by Senate
 - Repeal ESPC law sunset (now 10/2003)
 - Include water conservation
 - Allow ESPC for building replacement if justified by annual energy and O&M savings
- Federal ESPC Regulation
 - DOE to revise 10 CFR 436 – Subpart B to include
 - Legislative Changes
 - Best Business Practices since 1995
 - ESCO selection using DOE/DOD IDIQ contracts



Where to go for more help

- Teleworkshop web site
- DOE Regional Offices
- FEMP Super ESPC Workshops
- FEMP web site
- Guidance documents
- Super ESPC Tool Kit

- The following slides are only included so they appear on the E2001 web site with the rest of the presentation, to guide those looking for more help.



Super ESPC Info on Teleworkshop Web Site

- http://www.energyworkshops.org/femp/2001/2001modules/ESPC_Main_Page.htm
 - “Pre-Work” and “Post-Work”



DOE Regional Offices

- First contacts for exploring Super ESPC possibilities and getting assistance
- http://www.eren.doe.gov/femp/financing/femp_services_who.html



Super ESPC Delivery Order Workshop

- Get the information you need to get started with a Super ESPC project
- For federal energy managers, technical specialists, procurement specialists
- http://www.eren.doe.gov/femp/resources/training/fy2001_super_espc.html



FEMP Web Site

- Overview of ESPCs:
<http://www.eren.doe.gov/femp/financing/superespc.html#info>
- FEMP home page:
<http://www.eren.doe.gov/femp/>



Super ESPC Delivery Order Guidelines

- Concise coverage of Workshop topics
- Who does what, why, and how, in Super ESPC process
- Working smart with ESCOs and FEMP helpers
- Document templates
- <http://www.eren.doe.gov/femp/financing/guidelines.html>



Practical Guide to Savings and Payments in Super ESPC Delivery Orders

- Structuring a legal, feasible, and best-value Super ESPC project
- Energy and cost savings — sources and examples
- http://www.eren.doe.gov/femp/financing/cost_savings.html